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FM AMEMBASSY BEIRUT

TO RUEHC/SECSTATE WASHDC PRIORITY 4308

INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY

RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY

RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY

RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 BEIRUT 002154

SIPDIS

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E.O. 12958: DECL: 06/22/2016

TAGS: <u>EFIN</u> <u>IR</u> <u>LE</u> <u>PTER</u>

SUBJECT: MGLE01: JIHAD AL-BINAA WIDELY KNOWN AS A

HIZBALLAH ORGANIZATION DESPITE FACADE

REF: BEIRUT 421

Classified By: Ambassador Jeffrey D. Feltman. Reason: Section 1.4 (d).

SUMMARY

11. (C/NF) In June, econoff spoke with the Embassy's best contacts on Hizballah to determine the role, activities, and status of Jihad al-Binaa. Complicating matters was the fact that the official Jihad al-Binaa Arabic website does not directly reveal its ties to Hizballah. All contacts reported that it is common knowledge that Jihad al-Binaa is funded by Iran and controlled by Hizballah. Hizballah, however, appears careful in avoiding directly linking itself to Jihad al-Binaa or any of its other enterprises (reftel). Shia MP Yassin Jaber described Hizballah as a holding company for its charitable organizations. Jihad al-Binaa performs civilian construction activities such as repairing homes destroyed by Israeli military action, digging wells, and building summer youth camps and tennis courts. It also contracts for paid municipal work. Jihad al-Binaa does not appear to engage in military construction for Hizballah's militia, according to Embassy contacts. End summary.

THIN FACADE ON WEBSITE

- 12. (SBU) A review of Jihad al-Binaa's Arabic website (www.jihadalbinaa.org) showed no direct references to Hizballah. There was no Hizballah flag or emblem or links to Hizballah websites. However, there were many indirect references. The website said Jihad al-Binaa was created in response to a call by the Imam (sic) Khomenei. In addition to pictures of its construction projects, the website displayed the pictures of five "martyrs" without explanation of their affiliation or cause of death: Muhsein Bjeijy, Mahmoud Taleb, Engineer Nizar Saleh, Lutfi Mahdi, and Bassam Aknaan. The website said that Jihad al-Binaa "accompanied the resistance in its fight for 18 years, supporting the families in rebellion what the Israeli enemy destroyed." In Lebanon "the resistance" is a commonly used euphemism for Hizballah's military wing. The website also featured a picture of Hizballah Secretary General signing a guest book.
- ¶3. (SBU) The website offers the reader a copy of an undated Economic and Social Commission for Western Asia (ESCWA) report on Jihad al-Binaa. Though it does not explicitly say so, inclusion of the report on the Jihad al-Binaa website could be deemed an endorsement of its content. According to the ESCWA report, Jihad al-Binaa was created in 1988 for the purpose of supporting "the resistance" and is one of the

large institutions founded by Hizballah. The report continues that Jihad al-Binaa "does not rely on Hizballah directly, but relies on its main objective, which is supporting the resistance and the society..." The ESCWA report states that Jihad al-Binaa gets funding from Iran, "other parties", individual donations, Islamic contributions, and from profits and revenues. Staff are sent to Iran for training and Iranian experts are brought to Lebanon. The ESCWA report adds that Jihad al-Binaa employs 100 full-time male staffers with an operating budget of USD 5 million, but 3,000 volunteers and employees could be called up in an emergency. Jihad al-Binaa has offices in the southern suburbs of Beirut, Nabatiyeh, and Baalbeck.

CIVILIAN CONSTRUCTION ORGANIZATION

- $\underline{\P}4$. (C/NF) In June, Econoff met with the Embassy's Shia contacts with the most access to Hizballah to discuss the role, activities, and status of Jihad al-Binaa (in Arabic, "Struggle of Construction"). According to Abbas Sabbagh, a Shia journalist with access to Hizballah officials, Jihad al-Binaa is undoubtedly an organization run by Hizballah. Its board members are Hizballah officials. Jihad al-Binaa is directly funded by Iran, according to Sabbagh. There does not appear to be a budgetary super-structure within Hizballah. Sabbagh described Jihad al-Binaa as a totally civilian organization; it does not appear to perform military construction for Hizballah.
- 15. (C/NF) Sabbagh agreed that Jihad al-Binaa does not put Hizballah's emblem on its website or literature, but Lebanese have no doubt that it is controlled by Hizballah. Jihad al-Binaa's officials are also well-known Hizballah

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supporters. It does not perform any activity unless approved by Hizballah. In addition, Jihad al-Binaa is present only in areas under heavy Hizballah influence. Sabbagh added that most of the other major parties in Lebanon also have subsidiary charitable organizations. These organizations do not identify themselves with a certain party either, but all Lebanese know who they are affiliated with.

- (C/NF) In an earlier meeting in January (reftel), Sabbagh had given additional background information on Jihad al-Binaa, which is still current today. He said that Jihad al-Binaa provides free construction services for the residents of southern Lebanon. Its primary function is to repair any Lebanese buildings or homes damaged by Israeli military strikes, usually within 24 to 48 hours. Jihad al-Binaa supports other public service work such as constructing tennis courts and summer camps for youth in southern Lebanon. According to Sabbagh, Jihad al-Binaa is especially quick and attentive when repairing homes damaged as a result of Israeli retaliation for Hizballah attacks on the Shebaa Farms.
- 17. (C/NF) According to Sabbagh, Jihad al-Binaa appears to cover at least some of their operating costs. Jihad al-Binaa competes for municipal construction contracts in the south just like any other construction company. Municipal boards dominated by Hizballah members (of which there are many in southern Lebanon) are more likely to choose Jihad al-Binaa as a contractor to perform city work. Sabbagh said that there does not appear to be any corruption or overbilling involved in Jihad al-Binaa projects, as would be expected in contracts brokered by Amal members, but Jihad al-Binaa still makes a profit. Sabbagh commented that the municipal elections in the south are not just vital to Hizballah's political strategy, but also help secure profitable municipal contracts for Jihad al-Binaa.

"EVERYONE KNOWS" IT

IS PART OF HIZBALLAH

- ¶8. (C/NF) On June 15, econoff also with MP and former Minister of Public Works Yassin Jaber. Jaber, a moderate Shia nominally in Speaker of Parliament Nabih Berri's parliamentary bloc, is himself a major philanthropist in southern Lebanon. Jaber said that "everyone knows" Jihad al-Binaa is run by Hizballah. He said Jihad al-Binaa started sometime in the early 1990s and became prominent after two major Israeli military operations, in 1993 and 1996, caused widespread destruction in southern Lebanon. Jihad al-Binaa quickly moved in to repair damaged homes and buildings. When econoff noted that there is no direct reference to Hizballah on Jihad al-Binaa's website, Jaber snorted and replied: "What, you want them to put Hizballah's flag up?" Jaber said that Hizballah is more like a holding company for its many enterprises (Islamic Health Association, Mahdi Boy Scouts, Al Manar, etc.) so it is not important to identify whether its board of members are Hizballah members. "How do you prove someone is a member of Hizballah, anyway?," he asked rhetorically.
- 19. (C/NF) In a separate meeting on June 19, former UNIFIL spokesman Timur Goksel said that he had no doubt Jihad al-Binaa was linked to and run by Hizballah. He suggested that there may be legal reasons Jihad al-Binaa maintains a thin veneer of distance from Hizballah.
- ¶10. (C/NF) On June 21, independent Shia intellectual Mohammad Obeid told econoff that Jihad al-Binaa an Iranian-sponsored organization under the control of Hizballah. Jihad al-Binaa receives its funding directly from Iran, according to Obeid. He could not name who was on the board of directors, but was certain they were members of Hizballah. According to Obeid, Jihad al-Binaa does not participate in military construction for Hizballah.
- 111. (SBU) On June 20, Labor Minister Trad Hamadeh spoke at a celebration of the 18th anniversary of Jihad al-Binaa held in Baalbeck. Hamadeh, who was nominated to the cabinet by Hizballah but who is not a member of Hizballah, spoke more about the current political situation more than Jihad al-Binaa.

COMMENT

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112. (C/NF) Hamadeh's appearance at the 18th anniversary celebration is representative of the evidence linking Jihad al-Binaa to Hizballah. The link appears to be common knowledge, yet Hizballah seems careful to avoid leaving a smoking gun. Hamadeh, though clearly Hizballah's man, is not officially a party member. End comment. FELTMAN